



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

SEP 22 2006

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Democratic Party of Virginia
Abbi G. Easter
1108 East Main Street, 2nd Floor
Richmond, VA 23219

RE: MUR 5810

Dear Ms. Easter:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission (the "Commission") became aware of information suggesting that the Democratic Party of Virginia (the "Committee") and you, in your official capacity as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). On September 12, 2006, the Commission found reason to believe that the Committee and you, in your official capacity as treasurer, violated 2 U.S.C. § 434(b), a provision of the Act. Enclosed is the Factual and Legal Analysis that sets forth the basis for the Commission's determination.


We have also enclosed a brief description of the Commission's procedures for handling possible violations of the Act. In addition, please note that you have a legal obligation to preserve all documents, records and materials relating to this matter until such time as you are notified that the Commission has closed its file in this matter. See 18 U.S.C. § 1519. In the meantime, this matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

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If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed Designation of Counsel form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

We look forward to your response.

Sincerely,



Michael E. Toner
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

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1 **FEDERAL ELECTION COMMISSION**
2 **FACTUAL AND LEGAL ANALYSIS**
3

4 **RESPONDENTS:** Democratic Party of Virginia—
5 Federal Campaign Committee and
6 Abbi G. Easter, in her official capacity as treasurer
7

MUR: 5810

8 **I. BACKGROUND**
9

10 This matter was generated based on information ascertained by the Federal Election
11 Commission ("the Commission") in the normal course of carrying out its supervisory
12 responsibilities. See 2 U.S.C. § 437g(a)(2).

13 **II. FACTUAL AND LEGAL ANALYSIS**

14 The Democratic Party of Virginia ("DPVA") failed to report accurately receipts and
15 disbursements in its 2003 Mid-Year Report. 2 U.S.C. § 434(b). The DPVA filed its 2003 Mid-
16 Year Report on July 31, 2003. On March 31, 2004, the Reports Analysis Division ("RAD")
17 issued a Request for Additional Information inquiring about activity that appeared to be
18 misreported or missing from the report. In response, the DPVA filed an amended 2003 Mid-
19 Year Report on May 14, 2004, providing the requested information and clarifications and
20 disclosing additional receipts and disbursements totaling \$170,715.29.

21 When RAD requested an explanation for the increased activity reflected in the DPVA's
22 amended report, the DPVA explained that the additional receipts and disbursements reflected in
23 the amended report resulted from a "miscommunication" between the DPVA and its accountants.
24 The DPVA explained that its accountants had submitted an incomplete general ledger of
25 contributions and disbursements for the applicable period and that neither the DPVA nor the
26 accountants were aware of these omissions when the original report was submitted. The DPVA

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1 asserts it took "immediate steps" to provide the additional information and amend the report
2 when it became aware of the problem.

3 The treasurer of a political committee must file reports of all receipts and disbursements
4 in accordance with the Act. 2 U.S.C. § 434(a)(1). In a calendar year for which there is no
5 regularly scheduled general election, all political committees, other than authorized committees
6 of a candidate, shall file a Mid-Year Report no later than July 31. Such report shall disclose the
7 total amount of receipts and disbursements covering the period beginning January 1 and ending
8 June 30. 2 U.S.C. §§ 434(a)(4)(A)(iv) and 434(b)(2) and (4). The DPVA failed to comply with
9 these reporting requirements by not disclosing \$170,715.29 in combined additional receipts and
10 disbursements in its original 2003 Mid-Year Report.

11 Therefore, there is reason to believe the Democratic Party of Virginia—Federal
12 Campaign Committee and Abbi G. Easter, in her official capacity as treasurer, violated
13 2 U.S.C. § 434(b).

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